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DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

December 14, 2015

CERTIFIED RETURN RECEIPT
7013 3020 0002 3659 6603

Robert R. Worthen
Worthen/Williams LLC
2200 North 1200 West
Lehi, Utah 84043

Subject: Evaluation of Reclamation Surety, Worthen/Williams LLC, Roudabush 1 Mine, M/45/0027, Tooele County, Utah

Dear Mr. Worthen:

The last reclamation cost estimate for the Roudabush 1 mine was completed in 2007 and escalated to 2012 dollars, with a bond escalation date of July 7, 2012, so the reclamation surety amount is now due for review and adjustment. The Division of Oil, Gas and Mining may adjust the amount of reclamation surety as the result of a periodic review taking into account inflation/deflation based on an acceptable cost index (R647-4-113.6).



Figure 1. Google earth perimeter map showing acreage of Roudabush 1 Mine.

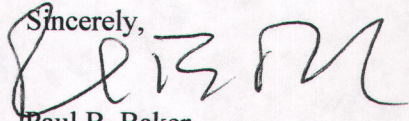
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To properly calculate the reclamation cost estimate, the Notice of Intention to Commence Large Mining Operations (LMO) needs to be up to date to ensure it is adequate and reflects the current operating conditions. Any necessary changes should be addressed by submitting an amendment to the LMO using form MR-REV (LMO).

In addition the Division has developed worksheets to assist both the Division and mine operators to calculate the reclamation cost using standard unit costs. These are available on the Division's web site at http://linux3.ogm.utah.gov/WebStuff/wwwroot/minerals/bonding_worksheets.html. Please complete these forms and return a copy to the Division for review. Once the forms have been reviewed, the Division will ask that you adjust the amount of surety to reflect the current reclamation cost estimate.

Please submit the reclamation cost estimate as an amendment to the LMO by February 12, 2016. Please also submit any other needed changes to the operation and reclamation plans in the LMO by this date.

Please contact Leslie Heppler at 801-538-5257 for the LMO update, Wayne Western at 801-538-5263 for the bond update, or me at 801-538-5261 if you have questions regarding this letter. In reply please refer to file number M/45/0027.

Sincerely,

Paul B. Baker
Mining Program Manager

PBB: mt: pb
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